

INFRASTRUCTURE in MONTANA

Purpose – The Montana Infrastructure proposal provides the legislature the opportunity to create jobs by completing state infrastructure projects throughout Montana.

Executive Recommendation –

- The 2027 Biennium Montana Infrastructure proposal is comprised of general obligation bonds, state special revenue, federal special revenue, and bond funds. **Table F-1** shows the state programs and the funding, required for the proposal.
- Following the chart below, each program provides a list of projects and more details about the program.
- State funding includes agency contributions of SSR, and SSR bonds totaling \$318,905,279
- FSR included in projects totals \$93,817,655
- Long Range funding included in the bill \$479,882,846
- Authority only projects contribute \$76,250,000 to the bill.

<div style="border: 1px solid black; padding: 5px; margin: 0 auto; width: 80%;"> <p style="margin: 0;">F-1 Montana Infrastructure</p> </div>					
	LRBP/IT	SSR	SSR Bonds	FSR	Authority
LRBP - MMR	44,365,000			6,310,000	300,000
LRBP - CD	397,315,000	115,292,500		81,442,500	75,950,000
RRGL		12,874,500			
RDGP		13,910,975			
Loans			133,318,288		
MCEP		23,832,141			
MHPG		6,229,375			
IT	38,202,846	8,447,500		6,065,155	
RW		10,000,000			
Total	479,882,846	190,586,991	133,318,288	93,817,655	76,250,000

LONG-RANGE BUILDING PROGRAM

LRBP

Purpose - The Long-Range Building Program (LRBP) was initiated in 1965 to provide funding for construction and major maintenance of state buildings. The LRBP was developed in order to present a single, comprehensive and prioritized plan for allocating state resources for capital construction and maintenance of state-owned facilities. Primary statutory authority is Title 17, Chapter 7, part 2, MCA.

Executive Recommendations –

- **Volume 3 of the Governor’s 2027 Biennium Executive Budget** contains complete descriptions of all recommended projects.
 - Table F-2 shows Long-Range Building Major Repair Account revenue and funding proposal.
 - Table F-3 shows Long-Range Building Program Major Repair projects.
 - Table F-4 shows Long-Range Building Program Capital Development Account revenue and funding proposal.
 - Table F-5 Long-Range Building Program Capital Development projects.
- The LRBP Major Repair category contains \$44,365,000 in cash revenue projects (minimum of \$42,253,842 in appropriations are required per 17-7-222 MCA), \$0 state special revenue, \$6,310,000 federal special revenue, and \$300,000 authority-only requests in HB 5 for a total of \$50,975,000.
- The LRBP Capital Development category consist of \$397,315,000 in cash revenue projects, \$115,292,500 state special revenue, \$81,442,500 federal special revenue, and \$75,950,000 authority-only requests to be funded in HB 5 for a total of \$670,000,000.
- Authority-only requests are for projects that have or will receive funding that does not require an appropriation.
- Funding is requested for 56 Major Repair projects and 83 Capital Development projects in HB 5 for a total of 190 projects.
- Major Repair components include a continuation of the mandatory Facility Condition Assessment baseline effort and feasibility study funding to assist agencies with the determining proper project scope for repairs.
- Within Capital Developments, funding is requested to provide capital project planning studies to assist agencies with 6-year strategic planning and right-sizing project scopes to provide improved cost estimates for future requests.
- Volume 3 includes a listing of all LRBP project requests submitted by Agencies for the 2027 biennium.

Since the Last Legislative Session -

Completed projects by A&E Division include:

- DMA: Silver Bow Readiness Center
- DOA: Commodities Warehouse Expansion
- MDT: Equipment Storage Buildings in White Sulphur Springs, Phillipsburg and Custer
- MDT: Billings Welding Shop
- DNRC: Eastern Land Office & Shop
- DPHHS: MSH Wastewater Treatment Improvements
- MTSDDB: Bitterroot & Mustang Center Fire Sprinkler System
- MUS: Block Hall Roof Replacement
- MUS: Lewis Hall Roof Replacement
- OPI: Learning Center Site Infrastructure Upgrades
- MUS: Campus Heating System Upgrades Phase 1, Montana Tech
- DOC: MSP Unit F Boiler System & Controls
- MUS: Donaldson Building HVAC Upgrades, Helena College
- MUS: Heating System Replacement & Repair, UM – Western
- MUS: Stone Hall Roof Replacement, UM
- DMA: Great Falls AFRC Roof Replacement
- COR: MSP High Side Cell Combo Unit Fixture Replacement
- DMA: Kalispell AFRC & Lewistown Readiness Center Roof Replacement
- DMA: Billings AFRC New Backup Generator

LONG-RANGE BUILDING PROGRAM LRBP

- DPHHS: D-Wing Flooring Replacement, Montana Mental Health Nursing Care Center
- DPHHS: Special Care Unit Courtyard Improvements, Montana Veterans' Home
- DPHHS: Roof Replacement, Montana Veterans' Home
- DPHHS: Fascia Replacement, Eastern Montana Veterans' Home
- DOA: Scott Hart VRF Piping Replacement
- DOA: 5 South Last Chance Gulch Mechanical Upgrades
- DOA: 2800 Airport Road Mechanical Upgrades
- MUS: Mansfield Library Roof Repair, UM
- MUS: Reid Hall Fire System Upgrades, MSU
- MTSDDB: Campus Security Cameras
- MTSDDB: New Bus Loop and Parking Lot Improvements
- MUS: Cosmetology Program Renovation, Helena College

Construction is underway on many projects including:

- MUS: Campus Heating System Upgrades, UM - Montana Tech
- DPHHS: Cottage Connectors, SW Veterans' Home
- Multiple Agencies: Combined Labs Building
- DOR: Liquor Warehouse Expansion
- DOA: State Health Lab Renovation
- DOJ: MLEA Scenario Training Building
- MDT: Yellowstone Airport Terminal
- MUS: Block Hall Renovation, UM-Western
- DOA: Mazurek Building Renovation
- DOA: Old Board of Health Building Renovation
- DPHHS: MSH Compliance Upgrades
- DOC: MSP Roof Replacements
- DOA: Renovation of Capitol Complex Office Buildings (ROWS)
- DNRC: Seedling Nursery Improvements
- DOC: MSP Water Line Replacement
- MUS: Water and Sewer System Replacements, UM – Flathead Biological Station
- MUS: Facilities Yard Relocation, MSU
- MUS: Mark and Robyn Jones College of Nursing in Kalispell, Great Falls, Missoula and Bozeman, MSU
- MUS: Gianforte Hall, MSU
- MUS: Vande Bogart Library Roof Replacement, MSU – Northern
- MUS: Brockmann Center HVAC Upgrade, MSU – Northern
- DNRC: Swan Lake Office Siding Replacement
- MUS: Barnard Hall Chiller Replacement, MSU
- DOC: MWP Heating & Cooling System Upgrade
- MUS: Roof Replacements, UM
- MUS: P.E. Building Roof Replacement
- MUS: Upgrade Elevators, UM
- MUS: Electrical Distribution, UM- Montana Tech
- DMA: Gallatin Readiness Center Roof Replacement
- MUS: Campus Heating Plant Boiler Controls Upgrade, MSU
- DNRC: Stillwater Shop Replacement
- MUS: Campus Building Envelope Repairs, UM – Western
- MUS: Replace Electrical Equipment, UM
- MUS: Electronics Technology Building HVAC & Lighting Upgrade, MSU – Northern
- MUS: Pershing Hall Renovation, MSU – Northern
- DOC: MCE Food Factory New Emergency Generator

LONG-RANGE BUILDING PROGRAM LRBP

TABLE F-2

**REVENUE ESTIMATE
MAJOR REPAIR LONG-RANGE BUILDING PROGRAM ACCOUNT
PROJECTIONS AS OF NOVEMBER 13, 2024
2027 BIENNIUM**

Beginning Cash Balance (July 1, 2025)		\$14,681,886
Non-General Fund Revenue:		17,125,404
Cigarette Tax	2,310,000	
Coal Severance Tax	11,521,000	
Interest Earnings	2,932,522	
Supervisory Fees	300,000	
DEQ Transfer - Energy Savings	61,882	
	17,125,404	
Non-General Fund Revenue Available <i>(Sum of Beginning Cash Balance & Non-General Fund Revenue)</i>		31,807,290
Expenditures:		(6,113,232)
Operating Costs - A & E Division	(6,113,232)	
Debt Service <i>(Current debt service is paid from the General Fund)</i>	0	
Total Expenditures	(6,113,232)	
Non-General Fund Available for Major Repair Projects		25,694,058
<i>Major Repair Funding Level Required by 17-7-222 MCA (.6%*Current Replacement Value*Two Fiscal Years)</i>	<i>42,253,842</i>	
Funding Proposals		18,670,942
HB2 OTO General Fund Transfer(s)		
<i>(Per 17-7-222 MCA, The difference of non-GF funds and the minimum major repair funding level requirement)</i>	16,559,784	
HB5 OTO General Fund Transfer(s)	2,111,158	
Total funding Proposals	18,670,942	
Major Repair Account Funded Proposals		44,365,000

See Table F-3 for list of prioritized projects included in the Governor's Executive Budget and requesting appropriation, per 17-7-223 MCA.

LONG-RANGE BUILDING PROGRAM LRBP

MAJOR REPAIR PROJECTS								
TABLE F-3				FUNDING SOURCE				Total
Priority	Agency	Campus	Project Title	LRBP MR	State Special	Federal Special	Authority Only	
MAJOR REPAIR PROJECTS								
MR-01	MUS	MSU	Completion of Montana Hall Life-Safety Improvements	\$2,100,000				\$2,100,000
MR-02	DOC	Eastmont	Facility Improvements for Licensure - Eastmont Campus	\$1,050,000				\$1,050,000
MR-03	DPHHS	MMHNO	Completion of Door Access Controls	\$130,000				\$130,000
MR-04	MUS	Msia College	Mechanical, Electrical, and Accessibility Upgrades	\$2,200,000				\$2,200,000
MR-05	MUS	Tech	Selected Upgrades to Exterior Steps, Stairs, and Ramps	\$710,000				\$710,000
MR-06	DPHHS	MMHNO	Additional Security Cameras	\$300,000				\$300,000
MR-07	MUS	UMW	Selected Fire Alarm System Upgrades	\$500,000				\$500,000
MR-08	DOC		MCE New Emergency Generators	\$200,000				\$200,000
MR-09	DOA		Aviation & Support Facility Shop Building New Fire Suppression System	\$950,000				\$950,000
MR-10	MUS	Tech	Campus Heating Plant Boiler System Upgrade	\$2,400,000				\$2,400,000
MR-11	AG		State Grain Lab Heating System Upgrades	\$150,000				\$150,000
MR-12	MUS	GFC	Campus Heating & Domestic Hot Water Upgrades	\$400,000				\$400,000
MR-13	DOJ		Boulder Highway Patrol/BC Campus Heating System Upgrade	\$2,350,000				\$2,350,000
MR-14	MUS	HC	Donaldson Campus Boiler System Replacement - Helena College	\$150,000				\$150,000
MR-15	DOA		Original Governor's Mansion Heating & Fire Alarm System Upgrades	\$300,000				\$300,000
MR-16	MUS	UMW	Swyggod Technology Center HVAC Cooling System Replacement	\$370,000				\$370,000
MR-17	DOC		Continuation of Xanthopoulos Building Repairs	\$2,200,000				\$2,200,000
MR-18	MUS	MSU	Linfield Hall Roof Replacement	\$850,000				\$850,000
MR-19	DOA		State Print & Mail Building Roof Replacement	\$825,000				\$825,000
MR-20	MUS	MSUN	Cowan Hall Exterior Envelope Upgrades	\$1,725,000				\$1,725,000
MR-21	DPHHS	EMVH	Water Infiltration Investigation & Exterior Envelope Repairs - EMVH	\$1,900,000				\$1,900,000
MR-22	MUS	MSUN	Automotive Technology Building Roof Replacement	\$460,000				\$460,000
MR-23	MUS	HC	Donaldson Campus Roofing Replacement	\$2,400,000				\$2,400,000
MR-24	DOC	MSP	MCE Roof Replacement	\$1,350,000				\$1,350,000
MR-25	DOA		Aviation Support Facility Hangar Door Reconstruction & Replacement	\$320,000				\$320,000
MR-26	MUS	Tech	Campus Wide Building Electrical System Upgrade	\$1,300,000				\$1,300,000
MR-27	MSDB	MSDB	Completion of Parking Lot Improvements	\$780,000				\$780,000
MR-28	MUS	UMW	Selected Sewer Main Repair & Replacement	\$690,000				\$690,000
MR-29	DOC	MWP	Completion of Perimeter Security	\$600,000				\$600,000
MR-30	OPI		Montana Learning Center Site Infrastructure Upgrades	\$700,000				\$700,000
MR-31	MUS	UMW	Steam Distribution System Upgrades	\$475,000				\$475,000
MR-32	DOC	PHCF	Utility Tunnel/Heating System Repairs	\$1,200,000				\$1,200,000
MR-33	MUS	UM	Selected Building Electrical System Upgrades	\$1,100,000				\$1,100,000
MR-34	MUS	MSU	South Campus Primary Electrical Distribution Upgrades	\$1,750,000				\$1,750,000
MR-35	DOC	MSP	Gravel Pit Equipment Generator Replacement	\$180,000				\$180,000
MR-36	DLI		Kalispell Job Service Center Renovations	\$325,000				\$325,000
MR-37	MUS	UM	Selected Elevator System Upgrades	\$1,675,000				\$1,675,000
MR-38	MUS	Tech	Science & Engineering and ELC Building Elevator Modernization	\$400,000				\$400,000
MR-39	DOL	HSSU	New Lab Casework and Fixed Lab Equipment - Combined Labs	\$1,000,000				\$1,000,000
MR-40	MSDB		Selected HVAC System Upgrades	\$2,000,000				\$2,000,000
MR-41	MUS	MSU	McCall Hall Demolition	\$1,100,000			\$300,000	\$1,400,000
MR-42	DOA		Capitol Building Interior Lighting Restoration	\$125,000				\$125,000
MR-43	DOA		Capitol Complex Restroom Renovations	\$625,000				\$625,000
MR-44	DOC	MSP	MCE Toilet Room Repairs	\$200,000				\$200,000
MR-45	DOJ		MLEA Air Conditioning Installation	\$300,000				\$300,000
MR-46	MUS	Tech	Mining & Geology Building Temperature Control Replacement	\$300,000				\$300,000
MR-47	DOA		Statewide Facility Condition Assessment Services for Agencies	\$750,000				\$750,000
MR-48	DOA		Statewide Selected Feasibility Studies for Agencies	\$500,000				\$500,000
DEPARTMENT OF MILITARY AFFAIRS								
DMA MR-01	DMA		Statewide Indoor Firing Range Remediation			\$2,450,000		\$2,450,000
DMA MR-02	DMA		MTARNG Buildings MEP Repairs			\$1,970,000		\$1,970,000
DMA MR-03	DMA		Fort Harrison Building 1009 New Generator			\$255,000		\$255,000
DMA MR-04	DMA		Helena AFRC New Underground Stormwater Flipping System			\$230,000		\$230,000
DMA MR-05	DMA		Fort Harrison New Powered Fire Department Access Gate			\$225,000		\$225,000
DMA MR-06	DMA		Fort Harrison Range Operations Center Sitework			\$380,000		\$380,000
DMA MR-07	DMA		Fort Harrison Building 1017 New Shower Rooms			\$110,000		\$110,000
DMA MR-08	DMA		MTARNG Buildings New PV Solar Arrays & Repairs			\$690,000		\$690,000
MAJOR REPAIR TOTALS				\$44,385,000	\$0	\$8,310,000	\$300,000	\$50,875,000

LONG-RANGE BUILDING PROGRAM LRBP

TABLE F-4

**REVENUE ESTIMATE
CAPITAL DEVELOPMENT LONG-RANGE BUILDING PROGRAM ACCOUNT
PROJECTIONS AS OF NOVEMBER 13, 2024
2027 BIENNIUM**

Beginning Cash Balance for 69th Biennium:		136,786,860
2027 Biennium Revenue		
Interest Earnings Estimate -		
	FY 2026	22,469,133
	FY 2027	<u>13,460,738</u>
		35,929,871
Present Law General Fund Transfer per 17-7-208(5) MCA -		
	FY 2026	33,250,000
	FY 2027	<u>33,250,000</u>
		66,500,000
Budget Stabilization Reserve Fund Transfer per 17-7-130(5) MCA -		
	FY2026	0
	FY2027	<u>0</u>
		0
Accommodations & Campgrounds Tax 15-68-820 (4)(d) MCA -		
	FY 2026	4,550,000
	FY 2027	<u>4,810,000</u>
		9,360,000
Total Revenues Available:		<u>248,576,731</u>
Capital Development Funding Project Proposals		397,315,000
Governor's Budget OTO Transfer Requests for the 69th Session		150,000,000
Remaining Capital Development Account Balance:		<u>1,261,731</u>

See attached Table F-5 listing of prioritized projects included in the Governor's Executive Budget and requesting appropriation, per 17-7-223 MCA.

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CAPITAL DEVELOPMENT PROJECTS

TABLE F-5

Priority	Agency	Campus	Project Title	FUNDING SOURCE					Total
				LRBP	CD	State Special	Federal Special	Authority Only	
CAPITAL DEVELOPMENT PROJECTS									
CD-01	DOC	MSP	MSP Low-Side Housing Expansion	\$150,000,000					\$150,000,000
CD-02	DOC	MSP	Site Infrastructure Upgrades	\$21,000,000					\$21,000,000
CD-03	DPHHS	MSH	Comprehensive Mechanical System Replacement	\$11,200,000					\$11,200,000
CD-04	DOC	MSP	Comprehensive Mechanical System Replacement	\$4,750,000					\$4,750,000
CD-05	DPHHS	MSH	Spratt Building Upgrades for Licensure	\$4,000,000					\$4,000,000
CD-06	MUS	UM	Selected Classrooms & Teaching Labs Modernization	\$11,600,000					\$11,600,000
CD-07	DNRC		Missoula New Forestry & Trust Lands Office Building	\$3,000,000					\$3,000,000
CD-08	DNRC		Helena Wildland Firefighter Bunkhouses	\$3,860,000					\$3,860,000
CD-09	DNRC		Libby Wildland Firefighter Bunk house & Office Addition	\$3,600,000		\$600,000			\$4,200,000
CD-10	DNRC		Plains Wildland Firefighter Bunkhouse	\$1,930,000					\$1,930,000
CD-11	DOA		Capitol Complex Roof Replacements	\$4,100,000					\$4,100,000
CD-12	MUS	UM	Selected Roof Replacement Projects	\$3,000,000					\$3,000,000
CD-13	MUS	Highlands	Highlands College Roof Replacement	\$5,000,000					\$5,000,000
CD-14	MUS	MSUB	Cisel Hall HVAC & Plumbing System Upgrades	\$4,000,000					\$4,000,000
CD-15	DOA		Capitol Complex Elevator System Upgrades	\$5,700,000					\$5,700,000
CD-16	MSDB		Vocational Building Renovation	\$5,120,000					\$5,120,000
CD-17	MUS	MSU	Lewis Hall New Elevator & ADA Upgrades	\$4,600,000					\$4,600,000
CD-18	MUS	UM	Music Building Renovation	\$7,250,000				\$7,250,000	\$14,500,000
CD-19	DOA		1227 11th Avenue Building Renovation	\$3,600,000					\$3,600,000
CD-20	DOA		1300 11th Avenue Building Renovation	\$4,150,000					\$4,150,000
CD-21	MUS	UM	Manfield Library Renovation	\$9,000,000				\$9,000,000	\$18,000,000
CD-22	MUS	MSU	Hamilton Hall 3rd & 4th Floor Renovation	\$5,230,000					\$5,230,000
CD-23	DOA		5 South Last Chance Gulch Building Renovation	\$17,300,000					\$17,300,000
CD-24	DMA		SMART Deferred Maintenance Program - Statewide	\$1,500,000			\$4,500,000		\$6,000,000
CD-25	DOC	MSP	Construction Education Program Building Renovation	\$4,000,000					\$4,000,000
CD-26	DMA		Billings Limited Army Aviation Support Facility - Phase II	\$23,100,000					\$23,100,000
CD-27	DMA		Montana Air National Guard New Training Drop Zone	\$1,800,000					\$1,800,000
CD-28	DOJ	MLEA	MLEA New Indoor Firearms Range	\$10,000,000					\$10,000,000
CD-29	DMA		New Internment Processing Center @ MT State Veterans Cemetery	\$1,925,000					\$1,925,000
CD-30	OPBB		Capitol Complex Deferred Maintenance	\$50,000,000					\$50,000,000
CD-31	DOA		Capital Projects Planning Studies	\$2,000,000					\$2,000,000
CD-32	DOA		Reserve Fund for Market, Supply Chain, and Inflationary Impacts	\$10,000,000					\$10,000,000
DEPARTMENT OF FISH, WILDLIFE & PARKS									
FWP CD-01	FWP		Administrative Facility Major Maintenance			\$2,800,000			\$2,800,000
FWP CD-02	FWP		Central Services Site Upgrades Phase II			\$13,350,000			\$13,350,000
FWP CD-03	FWP		Central Services Site Upgrades Phase III			\$16,680,000			\$16,680,000
FWP CD-04	FWP		Region 5 Cooney State Park Storage Building			\$220,000			\$220,000
FWP CD-05	FWP		Region 5 Deadman's Basin FASS Storage Building			\$340,000			\$340,000
FWP-01	FWP		Fishing Access Site Major Maintenance			\$1,590,000			\$1,590,000
FWP-02	FWP		Statewide Hatchery Maintenance and Repairs			\$2,500,000			\$2,500,000
FWP-03	FWP		Fishing Access Site Noxious Weed Control			\$250,000			\$250,000
FWP-04	FWP		Wildlife Management Area Maintenance			\$3,380,000			\$3,380,000
FWP-05	FWP		State Parks Major Maintenance			\$4,500,000			\$4,500,000
FWP-06	FWP		State Parks Noxious Weed Control			\$250,000			\$250,000
FWP-07	FWP		Statewide Wildlife Habitat Management Areas Habitat Improvements			\$680,000			\$680,000
FWP-08	FWP		Future Fisheries			\$2,000,000			\$2,000,000
FWP-09	FWP		FWP Contract Programs			\$2,250,000			\$2,250,000
FWP-10	FWP		Habitat Montana			\$12,000,000			\$12,000,000
FWP-11	FWP		Fish Connectivity			\$1,635,000	\$1,775,000		\$3,410,000
FWP-12	FWP		Lewis & Clark Caverns State Park Water System			\$692,500	\$692,500		\$1,385,000
FWP-13	FWP		Community Fishing Ponds			\$200,000			\$200,000
FWP-14	FWP		Fishing Access Site Acquisition			\$500,000			\$500,000

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FWP-15	FWP		Parks & Outdoor Recreation Site Development & Upgrades		\$2,300,000	\$510,000		\$2,810,000
FWP-16	FWP		Upland Game Bird Enhancement Program		\$2,000,000			\$2,000,000
FWP-17	FWP		Dam Maintenance		\$90,000			\$90,000
FWP-18	FWP		Habitat Montana - Enhanced 701 Funding		\$18,000,000			\$18,000,000
FWP-20	FWP		Region 5 HQ Pemberton Lane Improvements		\$255,000			\$255,000
FWP-21	FWP		FWP Grant Programs		\$5,800,000	\$7,900,000		\$13,700,000
FWP-22	FWP		Bannack State Park Historic Preservation		\$250,000			\$250,000
FWP-23	FWP		Forest Management Program		\$250,000			\$250,000
FWP-26	FWP		Tongue & Yellowstone Canal & Muggli Bypass Channel Fishery Infrastructure Improvements		\$1,430,000			\$1,430,000
DEPARTMENT OF TRANSPORTATION								
MDT CD-01	MDT		Statewide MDT Facility Repairs and Small Projects		\$3,000,000			\$3,000,000
MDT CD-02	MDT		Three Forks Equipment Storage Building		\$3,000,000			\$3,000,000
MDT CD-03	MDT		Wolf Creek Equipment Storage Building		\$2,400,000			\$2,400,000
MDT CD-04	MDT		Lodge Grass Equipment Storage Building		\$2,400,000			\$2,400,000
MDT CD-05	MDT		Conrad Equipment Storage Building		\$3,500,000			\$3,500,000
MDT CD-06	MDT		Miles City Equipment Storage Building		\$4,200,000			\$4,200,000
DEPARTMENT OF MILITARY AFFAIRS								
DMA CD-01	DMA		Fort Harrison Open Bay Barracks			\$18,120,000		\$18,120,000
DMA CD-02	DMA		Fort Harrison Vehicle Paint Shop Construction			\$6,960,000		\$6,960,000
DMA CD-03	DMA		MTARNG Vehicle Maintenance Shop Construction			\$40,600,000		\$40,600,000
DMA CD-04	DMA		Limestone Hills Training Area Target Storage Building Replacement			\$385,000		\$385,000
MONTANA UNIVERSITY SYSTEM								
MUS A0-01	MUS	MSUB	New Art Building				\$13,400,000	\$13,400,000
MUS A0-02	MUS	UM	New Bandy Ranch Field Research Housing				\$2,000,000	\$2,000,000
MUS A0-03	MUS	UM	Bio Research Building Addition				\$8,000,000	\$8,000,000
MUS A0-04	MUS	MSU	Instructional Space Modernization				\$4,000,000	\$4,000,000
MUS A0-05	MUS	UM	Law School Interior Remodel				\$3,000,000	\$3,000,000
MUS A0-06	MUS	UM	McGill Hall Addition				\$2,000,000	\$2,000,000
MUS A0-07	MUS	MSU	Nopper Building Purchase				\$6,500,000	\$6,500,000
MUS A0-08	MUS	UM	Undergraduate Research Lab Upgrades and Improvements				\$10,000,000	\$10,000,000
MUS A0-09	MUS	UM	South Campus Tennis Court Complex				\$8,300,000	\$8,300,000
MUS A0-10	MUS	MSU	Visual Communications Building Classroom Addition				\$2,500,000	\$2,500,000
CAPITAL DEVELOPMENT TOTALS				\$397,315,000	\$115,292,500	\$81,442,500	\$75,950,000	\$670,000,000

Renewable Resource Grant and Loan Program RRGL

Purpose - The Renewable Resource Grant and Loan (RRGL) Program offers funding for projects that conserve, manage, develop, and preserve renewable resources to provide economic and other benefits of the state's natural heritage. The Department of Natural Resources and Conservation (DNRC) administers the program, which is provided for in Title 85, Chapter 1, part 6, MCA. Governmental entities may apply to the program to obtain funding for community resource-related projects. Project eligibility includes irrigation system rehabilitation, stream restoration, watershed management, public water and sewer systems, and resource assessment projects.

Executive Recommendation -

- **Volume 6 of the Governor's 2027 biennium Executive Budget** contains the complete project evaluations and funding recommendations for all grant and loan applications. Table **F-5A and F-5B** shows the projects recommended for funding.
- RRGL infrastructure project grant awards are included in HB 6 and will be funded with an appropriation of \$5,250,000 and irrigation project grant awards will be funded with an appropriation of \$3,474,500 of natural resource projects state special revenue account (SSRA) funds.
- RRGL recommends provision for \$2,000,000 for project planning grants, \$500,000 in emergency grants to communities with projects that present immediate threats to public health, \$500,000 for irrigation grants, \$150,000 for private grants, and \$1,000,000 for nonpoint source pollution reduction grants. HB 6 will appropriate \$4,150,000 of natural resource projects SSRA funds for these small grant programs during the 2027 biennium. Table **F-5C** shows the program grants included in House Bill 6.

Since the Last Session -

RRGL Program to date - 2025 Biennium:

- RRGL Project Grants – 52 of the 72 projects authorized by the 68th legislature are contracted or completed for a total of \$6,435,000;
- Emergency Grants - 12 grants are contracted or completed for a total of \$319,600;
- Planning Grants - 88 grants are contracted or completed for a total of \$2,223,889;
- Watershed Management Grants - 11 grants are contracted or completed for \$263,300;
- Irrigation Development Grants - 7 grants are contracted or completed for \$225,643; and
- Private Grants - 36 grants are contracted or completed for \$84,987.

Renewable Resource Grant and Loan Program RRGL

F-5A Renewable Resource Grant and Loan Program Infrastructure Projects						
Rank	Applicant Name	Project Title	Project Type	County	Requested Amount	Cumulative Requested Amount
1	Arlee Lake County Water and Sewer District	Arlee Lake County Water & Sewer District Wastewater System Upgrades	Wastewater – Infrastructure	Lake	\$125,000	\$125,000
2	Whitehall, Town of	Whitehall Drinking Water System Improvements	Drinking Water - Infrastructure	Jefferson	\$125,000	\$250,000
3	Deer Lodge, City of	Deer Lodge Wastewater Collection System Improvements	Wastewater – Infrastructure	Powell	\$125,000	\$375,000
4	Missoula, City of	Missoula Public Library Living Roof Stormwater Control	Stormwater – Infrastructure	Missoula	\$125,000	\$500,000
5	Harrison Water and Sewer District	Harrison Wastewater System Improvements	Wastewater – Infrastructure	Madison	\$125,000	\$625,000
6	Madison County	Madison County Pennington Bridge Big Hole River Restoration	Restoration	Madison	\$125,000	\$750,000
7	South Wind County Water and Sewer District	South Wind Drinking Water and Wastewater Improvements, Phase 4	Drinking Water - Infrastructure	Cascade	\$125,000	\$875,000
8	Willow Creek Sewer District	Willow Creek Sewer District Wastewater System Improvements	Wastewater – Infrastructure	Gallatin	\$125,000	\$1,000,000
9	Roundup, City of	Roundup Wastewater Lagoon System Upgrades	Wastewater – Infrastructure	Musselshell	\$125,000	\$1,125,000
10	Judith Basin County	Judith Basin County Geyser Wastewater Treatment System Improvements	Wastewater – Infrastructure	Judith Basin	\$125,000	\$1,250,000
11	Martinsdale Water and Sewer District	Martinsdale Water and Sewer District Water System Improvements	Drinking Water - Infrastructure	Meagher	\$125,000	\$1,375,000
12	Alder Water and Sewer District	Alder Water and Sewer District Wastewater System Improvements	Wastewater – Infrastructure	Madison	\$125,000	\$1,500,000
13	Fairfield, Town of	Fairfield Drinking Water System Improvements	Drinking Water - Infrastructure	Teton	\$125,000	\$1,625,000
14	Dutton, Town of	Dutton Drinking Water System Improvements, Phase 2	Drinking Water - Infrastructure	Teton	\$125,000	\$1,750,000
15	Circle, Town of	Circle Water System Improvements, Phase 5	Drinking Water - Infrastructure	McCone	\$125,000	\$1,875,000
16	Malta, City of	Malta Drinking Water System Improvements	Drinking Water - Infrastructure	Phillips	\$125,000	\$2,000,000
17	Red Lodge, City of	Red Lodge Wastewater System Improvements, Phases 2 and 3	Wastewater – Infrastructure	Carbon	\$125,000	\$2,125,000
18	Hysham, Town of	Hysham Drinking Water System Improvements, Phase 2	Drinking Water - Infrastructure	Treasure	\$125,000	\$2,250,000
19	Darby, Town of	Darby Wastewater System Improvements	Wastewater – Infrastructure	Ravalli	\$125,000	\$2,375,000
20	Sheridan, Town of	Sheridan Drinking Water System Improvements	Drinking Water - Infrastructure	Madison	\$125,000	\$2,500,000
21	Richey, Town of	Richey Drinking Water System Improvements, Phase 3	Drinking Water - Infrastructure	Dawson	\$125,000	\$2,625,000
22	Ennis, Town of	Ennis Drinking Water System Improvements	Drinking Water - Infrastructure	Madison	\$125,000	\$2,750,000
23	Basin Water and/or Sewer District	Basin Water and/or Sewer District Drinking Water System Improvements	Drinking Water - Infrastructure	Jefferson	\$125,000	\$2,875,000
24	Manhattan, Town of	Manhattan Water System Improvements	Drinking Water - Infrastructure	Gallatin	\$125,000	\$3,000,000
25	Cooke City Water District	Cooke City Drinking Water Infrastructure Improvements	Drinking Water - Infrastructure	Park	\$125,000	\$3,125,000
26	Treasure State Acres Water and Sewer District	Treasure State Acres Wastewater Treatment System Improvements	Wastewater – Infrastructure	Lewis and Clark	\$125,000	\$3,250,000
27	St. Ignatius, Town of	St. Ignatius Wastewater Collection Main Replacement	Wastewater – Infrastructure	Lake	\$125,000	\$3,375,000
28	Twin Bridges, Town of	Twin Bridges Drinking Water System Improvements	Drinking Water - Infrastructure	Madison	\$125,000	\$3,500,000
29	Libby, City of	Libby Wastewater System Improvements	Wastewater – Infrastructure	Lincoln	\$125,000	\$3,625,000
30	Sun Prairie Village County Water and Sewer District	Sun Prairie Village Drinking Water System Upgrades	Drinking Water - Infrastructure	Cascade	\$125,000	\$3,750,000
31	Plentywood, City of	Plentywood Drinking Water System Improvements	Drinking Water - Infrastructure	Sheridan	\$125,000	\$3,875,000
32	White Sulphur Springs, City of	White Sulphur Springs Drinking Water System Improvements	Drinking Water - Infrastructure	Meagher	\$125,000	\$4,000,000
33	Big Timber, City of	Big Timber Drinking Water Storage Improvements	Drinking Water - Infrastructure	Sweet Grass	\$125,000	\$4,125,000
34	Wolf Point, City of	Wolf Point Wastewater System Improvements, Phase 3	Wastewater – Infrastructure	Roosevelt	\$125,000	\$4,250,000
35	Bigfork County Water and Sewer District	Bigfork Drinking Water System Improvements	Drinking Water - Infrastructure	Flathead	\$125,000	\$4,375,000
36	Shelby, City of	Shelby Wastewater System Improvements	Wastewater – Infrastructure	Toole	\$125,000	\$4,500,000
37	Ronan, City Of	Ronan Wastewater System Improvements	Wastewater – Infrastructure	Lake	\$125,000	\$4,625,000
38	Bearcreek, Town of	Bearcreek Drinking Water System Improvements, Phase 1	Drinking Water - Infrastructure	Carbon	\$125,000	\$4,750,000
39	Conrad, City of	Conrad Wastewater System Improvements	Wastewater – Infrastructure	Pondera	\$125,000	\$4,875,000
40	Pinesdale, Town of	Pinesdale Drinking Water System Improvements	Drinking Water - Infrastructure	Ravalli	\$125,000	\$5,000,000
41	Hinsdale County Water and Sewer District	Hinsdale County Water and Sewer District Water System Upgrades	Drinking Water - Infrastructure	Valley	\$125,000	\$5,125,000
42	Joliet, Town of	Joliet Wastewater System Improvements	Wastewater – Infrastructure	Carbon	\$125,000	\$5,250,000
Total					\$5,250,000	

Renewable Resource Grant and Loan Program RRGL

F-5B Renewable Resource Grant and Loan Program Irrigation Projects						
Rank	Applicant Name	Project Title	Project Type	County	Requested Amount	Cumulative Requested Amount
1	Granite County	Granite County Flint Creek Dam Improvements	Dams	Granite	\$125,000	\$5,375,000
2	Pondera County Conservation District	Pondera County Conservation District S-Canal Pipeline Conversion	Irrigation	Pondera	\$125,000	\$5,500,000
3	Yellowstone County	Yellowstone County Billings Bench Water Association Rattlesnake Reservoir Water Management Improvements	Irrigation	Yellowstone	\$125,000	\$5,625,000
4	Yellowstone Irrigation District	Yellowstone Irrigation District Canal Rehabilitation	Irrigation	Rosebud	\$125,000	\$5,750,000
5	Lower Yellowstone Irrigation District #1	Lower Yellowstone Irrigation District Thomas Point Pump Station Rehabilitation, Phase 2	Irrigation	Richland	\$125,000	\$5,875,000
6	Savage Irrigation District	Savage Irrigation District Pumping Plant Rehabilitation, Phase 2	Irrigation	Richland	\$125,000	\$6,000,000
7	Clinton Irrigation District	Clinton Irrigation District Schoolhouse Lateral Pipeline Conversion, Phase 4	Irrigation	Missoula	\$125,000	\$6,125,000
8	Helena Valley Irrigation District	Helena Valley Irrigation District Lateral 26.6 and Lateral 20.7-3.3 Seepage Mitigation	Irrigation	Lewis and Clark	\$125,000	\$6,250,000
9	Helena Valley Irrigation District	Helena Valley Irrigation District Pumping Plant Automation	Irrigation	Lewis and Clark	\$125,000	\$6,375,000
10	Greenfields Irrigation District	Greenfields Irrigation District Check Replacement, Phase 2	Irrigation	Teton	\$125,000	\$6,500,000
11	Tongue and Yellowstone River Irrigation District	Tongue and Yellowstone River Irrigation District Cowels Creek Flume Replacement	Irrigation	Custer	\$125,000	\$6,625,000
12	Tongue and Yellowstone River Irrigation District	Tongue and Yellowstone River Irrigation District Jones Creek Flume and Canal Conversion	Irrigation	Custer	\$125,000	\$6,750,000
13	Bitterroot Conservation District	Bitterroot Conservation District Union Diversion Resource Improvements	Irrigation	Ravalli	\$125,000	\$6,875,000
14	Fort Belknap Irrigation District	Fort Belknap Irrigation District Main Canal Lining Project	Irrigation	Blaine	\$125,000	\$7,000,000
15	Petroleum County Conservation District	Petroleum County Conservation District McDonald Creek Diversion Structures Replacement	Irrigation	Petroleum	\$125,000	\$7,125,000
16	Malta Irrigation District	Malta Irrigation District Black Coulee Siphon Replacement	Irrigation	Phillips	\$125,000	\$7,250,000
17	Yellowstone Irrigation District	Yellowstone Irrigation District Lateral 17.6 Rehabilitation, Phase 1	Irrigation	Rosebud	\$125,000	\$7,375,000
18	Sweet Grass Conservation District	Sweet Grass Conservation District Crest Ditch Headgate Rehabilitation	Irrigation	Sweet Grass	\$125,000	\$7,500,000
19	Petrolia Irrigation District	Petrolia Irrigation District Main Canal Pipeline Conversion	Irrigation	Petroleum	\$125,000	\$7,625,000
20	Glen Lake Irrigation District	Glen Lake Irrigation District Doxie Slough Seepage Mitigation Project	Irrigation	Lincoln	\$125,000	\$7,750,000
21	Granite Conservation District	Granite Conservation District Allendale Ditch Rehabilitation	Irrigation	Granite	\$125,000	\$7,875,000
22	Hammond Irrigation District	Hammond Irrigation District Big Porcupine Siphon Rehabilitation	Irrigation	Rosebud	\$125,000	\$8,000,000
23	Greenfields Irrigation District	Greenfields Irrigation District J-Wasteway Modernization	Irrigation	Teton	\$125,000	\$8,125,000
24	Bitter Root Irrigation District	Bitter Root Irrigation District Diversion Control Modernization	Irrigation	Ravalli	\$99,500	\$8,224,500
25	Zurich Irrigation District	Zurich Irrigation District Brown Creek Siphon Rehabilitation	Irrigation	Blaine	\$125,000	\$8,349,500
26	Kinsey Irrigation District	Kinsey Irrigation District Harris Creek Spill Structure Rehabilitation	Irrigation	Custer	\$125,000	\$8,474,500
27	Kinsey Irrigation District	Kinsey Irrigation District Hammerbacker Lateral to Pipeline Conversion	Irrigation	Custer	\$125,000	\$8,599,500
28	Fort Shaw Irrigation District	Fort Shaw Irrigation District Simms Creek Siphon Replacement	Irrigation	Cascade	\$125,000	\$8,724,500
Total Irrigation Projects					\$3,474,500	

Renewable Resource Grant and Loan Program RRGL

F-5C Renewable Resource Grant and Loan Program Program Grants						
Rank	Applicant Name	Project Title	Project Type	County	Requested Amount	Cumulative Requested Amount
	RRG Emergency	Grants for local governments to respond to emergency events that impact renewable resources.	Infrastructure, Irrigation, Restoration	Statewide	\$500,000	\$9,224,500
	RRG Planning	Grants for local governments to plan and design projects that benefit renewable resources.	Infrastructure, Irrigation, Restoration	Statewide	\$2,000,000	\$11,224,500
	RRG Irrigation Development	Grants for private individuals to develop irrigation systems to benefit renewable resources.	Irrigation	Statewide	\$500,000	\$11,724,500
	RRG Private	Grants for private individuals to preserve, conserve, develop or manage water resources or other renewable resources.	Infrastructure, Irrigation, Restoration	Statewide	\$150,000	\$11,874,500
	RRG Nonpoint Source Pollution Reduction	Grants for private individuals or local governments to preserve surface or groundwater quality.	Infrastructure, Irrigation, Restoration	Statewide	\$1,000,000	\$12,874,500
Total Program Grants					\$4,150,000	

Reclamation and Development Grants Program RDGP

Purpose - The Reclamation and Development Grants Program (RDGP) was established by the Montana Legislature in 1987 to enable funding for projects that indemnify the people of Montana for the effects of mineral development on public resources and that meet other crucial needs serving the public interest and the total environment of the citizens of Montana. Administered by the Department of Natural Resources and Conservation (DNRC), the RDGP fulfills this mission by funding projects that (1) repair, reclaim, and mitigate environmental damage to public resources from nonrenewable resource extraction, and (2) develop and ensure the quality of public resources for the benefit of all Montanans. The RDGP Act is Title 90, Chapter 2, part 11, MCA.

Executive Recommendation -

- **Volume 5 of the Governor's 2027 biennium Executive Budget** contains the complete project evaluations and funding recommendations for the RDGP. Table **F-6** shows the funded projects.
- RDGP presents the reclamation and development grant awards that will be funded with an appropriation of \$7,110,975 in state special revenue.
 - Representative mining/mineral reclamation projects include the restoration of Upper Little Blackfoot Mining Complex to reduce metal contamination and mine tailing erosion in the Little Blackfoot River, and replacement of the Landusky Biological Treatment Plant to ensure mine impacted water is treated before discharging into Montana Gulch. Non-mineral, hazardous waste projects include contaminated soil cleanup at the Milwaukee Roundhouse.
 - Crucial state need projects include the DNRC owned Willow Creek Dam rehabilitation, Painted Rocks Dam rehabilitation, and East Fork of Rock Creek Dam rehabilitation, Cooke City's Sewer System project, Ruby Valley Conservation District's Upper Ruby River Habitat Rehabilitation and Granite County's Flint Creek Watershed Resiliency and Drought Mitigation project.
- House Bill 7 also includes an appropriation for \$1,500,000 for Reclamation Development Planning Grants and \$5,300,000 for water storage pilot project planning, design and implementation to address drought.

Since the Last Session - RDG Program to date - 2025 Biennium:

- 10 grantees that received appropriations through HB 7 from the 68th Legislature have started their projects for a total of \$3,653,347.
- 15 planning grants have been awarded for a total of \$911,563.

Reclamation and Development Grants Program RDGP

F-6 Reclamation and Development Grants Program						
Rank	Applicant	Project Name	Project Type	County	Recommend Amount	Cumulative
1	Powell County	Upper Little Blackfoot Watershed Mine Reclamation Project	Reclamation	Powell	\$495,123	\$495,123
2	Lewis and Clark County	Upper Blackfoot Mining Complex Water Treatment Plant Upgrades	Reclamation	Lewis and Clark	\$479,085	\$974,208
3	Montana Department of Environmental Quality	DEQ Landusky Biological Treatment Plant Improvement	Reclamation	Phillips	\$500,000	\$1,474,208
4	Powell County	Milwaukee Roundhouse Soil Remediation Phase 2	Reclamation	Powell	\$500,000	\$1,974,208
5	Cooke Pass, Cooke City, Silver Gate Sewer District	Cooke City Wastewater System	Other Crucial State Need	Park	\$500,000	\$2,474,208
6	Beaverhead Conservation District	Elkhorn Mine and Mill Remedy and Restoration	Reclamation	Beaverhead	\$300,000	\$2,774,208
7	DNRC Water Resources Division	DNRC Painted Rocks Dam Rehabilitation Phase 1	Crucial State Need - High Hazard Dam	Ravalli	\$500,000	\$3,274,208
8	DNRC Water Resources Division	DNRC East Fork of Rock Creek Dam Rehabilitation	Crucial State Need - High Hazard Dam	Granite	\$500,000	\$3,774,208
9	Montana Department of Environmental Quality	DEQ CR Kendall Mine Long-term Seep Water Management	Reclamation	Fergus	\$290,352	\$4,064,560
10	Ruby Valley Conservation District	Upper Ruby River Habitat Rehabilitation Demonstration	Crucial State Need - Drought	Madison	\$458,700	\$4,523,260
11	DNRC Water Resources Division	DNRC Willow Creek Dam Rehabilitation	Crucial State Need - High Hazard Dam	Madison	\$500,000	\$5,023,260
12	Granite County	Flint Creek Watershed Resiliency and Drought Mitigation	Crucial State Need - Drought	Granite	\$300,000	\$5,323,260
13	Milk River Joint Board of Control	Milk River Joint Board of Control Fresno Dam and Spillway Rehabilitation Project	Crucial State Need - High Hazard Dam	Hill	\$500,000	\$5,823,260
14	Glasgow, City of	Glasgow Levee Improvements	Other Crucial State Need	Valley	\$243,445	\$6,066,705
15	Forsyth, City of	Forsyth Slaughterhouse Creek Flood Mitigation	Other Crucial State Need	Rosebud	\$500,000	\$6,566,705
16	DNRC Water Resources Division	DNRC Front Range Flood Preparedness	Other Crucial State Need	Teton, Glacier, Pondera, Lewis and Clark	\$310,000	\$6,876,705
17	Montana Technological University	Phytomining Remediation and Minerals Recovery Demonstration	Reclamation	Silver Bow	\$234,270	\$7,110,975
NA	Reclamation Development Planning Grants	Grants to local governments to plan and design projects eligible for the RDG Program.	Reclamation, Crucial State Need	Statewide	\$1,500,000	\$8,610,975
NA	Pilot Water Storage Planning and Project Grants	Grants to local governments to plan, design and implement water storage pilot projects to address drought	Crucial State Need	Statewide	\$5,300,000	\$13,910,975
HB 7 Total					\$13,910,975	

Renewable Resource Loans and Coal Severance Tax Bonds

Purpose – Department of Natural Resources (DNRC) is authorized to make loans to political subdivision and local governments to help finance renewable resource projects.

Executive Recommendation –

- RRGL recommends reauthorization for sixteen renewable resource loans and associated bonds. Currently, there are seven new projects that will need loans funded by bonds and nine projects that are requesting reauthorization. Included is the DNRC Conservation and Resource Development, request for \$8,000,000 to make loans to local governments to construct infrastructure projects or to refinance existing debt, resulting in significant savings to communities in interest costs on existing loans. Table F-7 shows the full request for the 2027 Biennium.
- Included is a 10% reserve on the coal severance bonds of \$12,119,844.

F-7 Renewable Resource Loan			
Applicant	County	Loan	
DNRC Water Resources Division	Madison	\$ 14,000,000	New
DNRC Water Resources Division	Ravalli	\$ 15,000,000	New
Fort Shaw Irrigation District	Cascade	\$ 5,181,317	New
Hammond Irrigation District	Rosebud	\$ 241,900	New
Kinsey Irrigation District	Custer	\$ 511,520	New
Kinsey Irrigation District	Custer	\$ 840,823	New
Zurich Irrigation District	Blaine	\$ 872,884	New
Central Montana Regional Water Authority	Musselshell, Yellowstone	\$ 5,000,000	Reauthorize
DNRC Conservation and Resource Development Division	Statewide	\$ 8,000,000	Reauthorize
Dry Prairie Regional Water Authority	Daniels, Roosevelt, Sheridan, Valley	\$ 5,000,000	Reauthorize
Dry-Redwater Regional Water Authority	Dawson, Garfield, McCone, Prairie, Richland	\$ 10,000,000	Reauthorize
Greenfields Irrigation District	Teton	\$ 1,500,000	Reauthorize
Huntley Project Irrigation District	Yellowstone	\$ 3,500,000	Reauthorize
Lockwood Irrigation District	Yellowstone	\$ 1,550,000	Reauthorize
North Central Regional Water Authority	Chouteau, Hill, Liberty, Pondera, Teton, Glacier, Toole	\$ 10,000,000	Reauthorize
St. Mary's Milk River Project Beneficiaries Share	Glacier, Hill, Blaine, Phillips	\$ 40,000,000	Reauthorize
Bond Reserve	Statewide	\$ 12,119,844	New
		Total	\$ 133,318,288

Montana Coal Endowment Program MCEP

Purpose - The Montana Coal Endowment Program (MCEP) is a state-funded grant program created to help local governments fund infrastructure projects, defined by statute as drinking water systems, wastewater treatment, sanitary sewer or storm sewer systems, solid waste disposal and separation systems, and bridges. MCEP was authorized by Montana voters through the passage of Legislative Referendum 110 in June 1992 (Sections 90-6-701, *et seq.*, MCA). Title 90, Chapter 6, Part 7, MCA sets out the basic requirements for MCEP. Administered by the Montana Department of Commerce, the mission of MCEP is to assist local governments in funding infrastructure projects that will:

- create jobs for Montana residents;
- promote economic growth in Montana by helping to finance the necessary infrastructure;
- encourage local public facility improvements;
- create a partnership between the state and local governments to make necessary public projects affordable;
- support long-term, stable economic growth in Montana;
- protect future generations from undue fiscal burdens caused by financing necessary public works;
- coordinate and improve infrastructure financing by federal, state, local government, and private sources; and
- enhance the quality of life and protect the health, safety, and welfare of Montana citizens.

Executive Recommendation

Volume 4 of the Governor's 2027 Biennium Executive Budget contains the department's evaluation of each of the MCEP applications and detailed funding recommendations.

- For the 2027 biennium, 44 applicants are requesting \$26,707,141 million in project grant funds.
- The department recommends two lists of projects for MCEP infrastructure grant funds – one list for 33 eligible infrastructure projects (table **F-8**) and the other for 6 eligible bridge projects (table **F-9**). The tables list each project and the recommended grant award.
- The 6 bridge projects and 33 other infrastructure projects are included in HB 11 with an appropriation of \$23,832,141 in state special revenue.
- The department recommends \$1,500,000 for matching infrastructure planning grants and \$150,000 for emergency projects during the 2027 biennium, which are included in HB 11.
- The MCEP administration appropriation for \$1,683,867 is in HB 2.

Since the Last Session

As of November 1, 2023:

- 52 grantees were awarded funds from the 68th Legislature in HB 11 and HB 14. HB 632 authorized eligible project funding to replace special revenue interest earnings with American Recovery Plan Act (ARPA) funds. These eligible projects included 41 water, wastewater, combined water and wastewater, and storm drain projects. Seven bridge projects were not eligible for ARPA and were funded through the special revenue interest earnings.
- 46 of the 48 grantees that received MCEP funding from the 67th Legislature in HB 11 or HB 14 (subsequently HB632) have met start up conditions for a total obligation of \$25,603,718.
- The department has awarded 4 emergency grants for a total of \$99,930.
- The department has awarded 29 planning grants for a total of \$900,000.
- The department has also awarded 53 ARPA MCEP planning grants for a total of \$1,892,940.

Montana Coal Endowment Program MCEP

Table F-8
Montana Coal Endowment Program
MCEP

Rank	Applicant	County	Project Type	Project Description	Recommended Award Amount
1	Hysham, Town of	Treasure	W	Water treatment plant and infiltration gallery improvements	\$750,000
2	Roundup, City of	Musselshell	WW	Treatment facility upgrades including new headworks, backup generator, blower and the disposal of sludge from existing lagoons	\$750,000
3	Twin Bridges, Town of	Madison	W	Distribution system improvements	\$750,000
4	Harrison Water and Sewer District	Madison	WW	Treatment system improvements, Lift Station improvements, and rehabilitate and replace components of irrigation and center pivot	\$750,000
5	Wolf Point, City of	Roosevelt	WW	Wastewater collection system improvements	\$625,000
6	Dutton, Town of	Teton	W	Distribution system improvements and replacing chlorination vault	\$750,000
7	Alder County Water and Sewer District	Madison	WW	New submersible Lift Station pump and flow meter, upgraded Lift Station control panel	\$750,000
8	Shelby, City of	Toole	WW	Install or rehabilitate approximately 1,750 feet of 8 and 10 inch mains with PVC 8 and 10 inch mains and connect existing services	\$375,000
9	Red Lodge, City of	Carbon	WW	Cast in place pipe lining of 1,360 feet of 12-inch vitrified clay pipe, 1,015 linear feet of existing 10-inch VC pipe, and 1,200 linear feet of existing 8-inch VC pipe along with miscellaneous manhole replacements, and open-cut replacement of approximately 2,020 linear feet of 8-inch with High Density Polyethylene pipe	\$500,000
10	White Sulphur Springs, City of	Meagher	W	Intake pond improvements and replacement of filter media	\$625,000
11	South Wind Crosswinds Community Water and Sewer District	Cascade	W&WW	Expand the treated wastewater drain field, new secondary water well, hydrogeologic study and water rights application, and provide fencing for well head protection	\$750,000
12	Circle, Town of	McCone	W	Replace water mains, gate valves, and fire hydrants	\$750,000
13	Arlee/Lake County Water and Sewer District	Lake	WW	Installation of new locking manhole rims, extension of sanitary sewer main, re-classification of lagoons, and upgrades to the irrigation pump state	\$327,500
14	Deer Lodge, City of	Powell	WW	Repairing and replace sewer lines, manholes, and replacing leaking service connections	\$439,000
15	Willow Creek Sewer District	Gallatin	WW	Wastewater collection system improvements	\$750,000

Montana Coal Endowment Program MCEP

Table F-8 Montana Coal Endowment Program MCEP					
Rank	Applicant	County	Project Type	Project Description	Recommended Award Amount
16	Hinsdale County Water and Sewer District	Valley	W	Water distribution system improvements	\$500,000
17	Fairfield, Town of	Teton	W	Two new water supply wells and distribution system improvements	\$500,000
18	Darby, Town of	Ravalli	WW	Rehab gravity collection mains	\$750,000
19	Joliet, Town of	Carbon	WW	Lagoon reconfiguration and upgrades	\$625,000
20	Ronan, City of	Lake	WW	Replace the lagoon system with a SAGR operation, miscellaneous upgrades to support the SAGR operation, and sludge removal from existing lagoon	\$750,000
21	Bigfork County Water and Sewer District	Flathead	W	Install new natural gas generator, distribution system improvements, extend new water supply main	\$500,000
22	Richey, Town of	Dawson	W	Replace water mains on south side of town,	\$500,000
23	Malta, City of	Phillips	W	Install new water tank	\$500,000
24	Big Timber, City of	Sweet Grass	W	Construct new water storage tank, new transmission main to connect tank to distribution system, new valve vault, control valves, and bypass piping; and SCADA control improvements	\$500,000
25	St. Ignatius, Town of	Lake	WW	Replace all clay tile mains, approximately 12,640 LF of the collection system	\$750,000
26	Ennis, Town of	Madison	W	Construct new wellhouse, develop 2 new redundant water supply, replace existing water storage tank	\$500,000
27	Pinesdale, Town of	Ravalli	W	Improvements to water distribution and treatment systems	\$750,000
28	Basin County Water and/or Sewer District	Jefferson	W	Replace 2,400 lineal feet of water main and install 4 new hydrants	\$500,000
29	Martinsdale Water and Sewer District	Meagher	W	Distribution system improvements including main replacement and service meter replacement	\$750,000
30	Sun Prairie Village County Water and Sewer District	Cascade	W	Install new security fence, repair clearwell, repair storage tank, and replace pump station	\$500,000
31	Judith Basin County for Geyser Water and Sewer District	Judith Basin	WW	Rehabilitation of the lift station, replace piping, valve components and pumps, and lagoon upgrades	\$520,891
32	Whitehall, Town of	Jefferson	W	Construct a 2,300 feet long water main extension to and a 2,200 feet long water main loop. Project includes new hydrants, valves, and appurtenances	\$750,000
33	Libby, City of	Lincoln	WW	Replace Lift Station, install new concrete wet well, and permanent backup generator	\$500,000
TOTALS					\$ 20,287,391

Montana Coal Endowment Program MCEP

F-9 Montana Coal Endowment Program MCEP					
Rank	Applicant	County	Project Type	Project Description	Recommended Award Amount
1	Lewis & Clark County	Lewis & Clark	Bridge	Replace Augusta Clemons Road Bridge	\$750,000
2	Madison County	Madison	Bridge	Replace Silver Springs Bridge	\$750,000
3	Petroleum County	Petroleum	Bridge	Replace Horse Creek Road Bridge	\$627,900
4	Park County	Park	Bridge	Replace Main Street Bridge	\$612,750
5	Powder River County	Powder River	Bridge	Replace Randall/Moorhead Road Bridge	\$363,600
6	Wibaux County	Wibaux	Bridge	Replace Pine Unit Road Bridge	\$440,500
TOTALS					\$ 3,544,750

MCEP Regional Water Program

RW

Purpose

The State of Montana, through the Department of Natural Resources and Conservation (DNRC) provides financial support and state coordination for four regional water systems in Montana. When completed, the Rocky Boys-North Central, Fort Peck-Dry Prairie, Central Montana, and Dry Redwater systems will provide clean drinking water to more than 65 communities in central and northern Montana. Two of the regional water systems benefit from Tribal partnerships, and three are authorized by Congress. Dry Redwater is undergoing a feasibility study by the Department of Interior which would address the project cost, economic feasibility, and customer demands of the more than 22,500 residents.

Executive Recommendation

- Regional Water appropriates the state's share of regional water system construction funding. Grant funding is limited to \$10,000,000 of state revenue for administrative and construction grants to the regional water authorities.

Since the last session

- In the 2025 Biennium, the Dry Prairie Regional Water Authority completed work on delivery of water to the northwest corner of the Fort Peck Reservation. When the entire regional project is finished, over 3,000 miles of pipeline will deliver drinking water to more than 20 communities and nearly 4,000 farms, ranches and rural homes. The entire system should be complete by December 2025.
- The North Central Regional Water system has nearly completed work on the Phase 1 regional water treatment plant including the 50-mile-long core pipeline between Tiber Reservoir and the treatment plant located on the Rocky Boy Indian Reservation.
- The Central Montana Regional Water system has completed Phase 1 delivering water from the Ubet wellfield to Harlowton in 2023, Phase 2 which will deliver water to Roundup will be completed in 2025.
- The Dry Redwater Regional Water system has been working with Bureau of Reclamation to complete the updated feasibility study for the system. The system plans to work on the next pipeline segment in Richland County to serve water from Sidney to users in the system.

Montana Historic Preservation Grant MHPG

Purpose - The Montana Historic Preservation Grant (MHPG) is a state-funded grant program created to help private and public entities fund the preservation of historic sites, historical societies, and history museums across the state. MHPG was authorized by House Bill 338 during the 66th Legislative Session in 2019 (Sections 22-3-1305, et seq., MCA). Funding for MHPG grants comes from the Historic Preservation Grant Program account established in 17-2-102, MCA and is subject to appropriation by the legislature. As of January 1, 2020, tax collections allocated in 15-68-820(3)(b) and (4)(c) began depositing in the Historic Preservation Grant Program account. The basic requirements for MHPG are in Title 22, Chapter 3, Part 13, MCA. Administered by the Montana Department of Commerce, the mission of MHPG is to assist private and public entities in funding historic preservation projects that will demonstrate the following:

- (a) the degree of economic stimulus or economic activity, including job creation and work creation for Montana contractors and service workers;
- (b) the purpose of the project, including whether it provides features that establish or enhance security, climate control, or fire protection for museums or address infrastructure, maintenance, or building code issues;
- (c) the timing of the project, including access to matching funds, if needed, and approval of permits so that work can be completed without delay;
- (d) the historic or heritage value related to the state of Montana;
- (e) the successful track record or experience of the organization directing the project;
- (f) the expected ongoing economic benefit to the state as a result of the project completion;
- (g) the local contribution; and
- (h) the anticipated public benefit, including the extent the site or building will be open to the public and the degree of immediate facility use after public completion.

Executive Recommendation

Volume 8 of the Governor's 2027 Biennium Executive Budget contains the department's evaluation of each of the MHPG applications and the detailed advisory funding recommendations.

- For the 2027 biennium, 77 applicants requested \$25,793,250 in project grant funds.
- 63 projects are eligible to receive awards, totaling \$22,966,085.
- MHPG contains one list of projects with a recommended funding line of \$6,229,375 for 17 grants based on the anticipated revenue for the 2027 biennium (table **F-10**). The table lists each of the 63 projects and the recommended grant award.
- The department is requesting one FTE in HB 2 for the administration of the recommended projects.

Montana Historic Preservation Grant MHPG

F-10 Montana Historic Preservation Grant					
Rank	Applicant	Project Name	County	Project Type	Requested Amount
1	Carter County Geological Society	Carter County Museum	Carter	History Museum	\$500,000
2	Lincoln County	Yaak Community Hall	Lincoln	Historic Site	\$168,000
2	Missoula Local Government Building Special District	John Engen Building	Missoula	Historic Site	\$498,800
4	Paris Gibson Square Museum of Art	Paris Gibson Square Museum of Art	Cascade	Historic Site	\$356,377
5	Lincoln School Foundation	Lincoln School	Park	Historic Site	\$364,980
6	Moleo Media Group, LLC	KPRK Building	Gallatin	Historic Site	\$500,000
7	Lavina Public Schools	Historic Lavina School	Golden Valley	Historic Site	\$398,128
8	Copper Village Museum and Arts Center	Copper Village Museum and Arts Center	Anaconda-Deer Lodge	History Museum / Historic Site	\$233,000
8	Metagabbro LLC	Red Lodge Pea Cannery and Brewery Building	Carbon	Historic Site	\$500,000
8	Yellowstone Art Museum	Yellowstone Art Museum Main Building	Yellowstone	History Museum	\$328,000
11	Fountain Terrace Condominiums, Inc	Fountain Terrace Condominiums	Fergus	Historic Site	\$500,000
11	Madison County	Octagonal Pavilion	Madison	Historic Site	\$500,000
13	Friends of the Historical Museum at Fort Missoula	St. Michael's Church	Missoula	History Museum / Historic Site	\$114,492
13	Hamilton, City of	Historic Hamilton Town Hall	Ravalli	Historic Site	\$305,607
15	Peace Valley Partnership, LLC	Boulder Hot Springs Bathhouse	Jefferson	Historic Site	\$500,000
16	Northern Rockies Heritage Center	Building 27	Missoula	Historic Site	\$300,791
16	Powell County Museum and Arts Foundation, Inc.	W.A. Clark Jr. Prison Theater at the Old Montana Prison in Deer Lodge	Powell	History Museum / Historic Site	\$161,200
Projected Funding Line					
18	Little Big Horn College	Apsaalooke Center for Culture and History	Big Horn	History Museum	\$500,000
19	Hill County	Hill County Courthouse	Hill	Historic Site	\$500,000
20	Friends of Historic Hotel Libby	Historic Hotel Libby	Lincoln	Historic Site	\$500,000
20	Madison County	Thompson-Hickman Memorial Building	Madison	Historic Site	\$500,000

Montana Historic Preservation Grant MHPG

Rank	Applicant	Project Name	County	Project Type	Requested Amount
20	Shelby, City of	Historic Shelby High	Toole	Historic Site	\$500,000
23	Dawson County	Glendive Public Library	Dawson	Historic Site	\$79,011
23	Sandstone Preservation Community	Sandstone and Cobblestone Schools Complex	Stillwater	Historic Site	\$500,000
25	Mathson Design, LLC	The Recording Center	Missoula	Historic Site	\$50,000
26	Jefferson County	State School for the Deaf and Blind "Cottage 5"/Jefferson County Health Department	Jefferson	Historic Site	\$500,000
26	Treasure County 89ers, Inc.	Yucca Theatre	Treasure	History Museum	\$145,000
26	St. Peter's Episcopal Cathedral of Helena	St. Peter's Episcopal Cathedral	Lewis & Clark	Historic Site	\$250,000
29	Anaconda-Deer Lodge County	Anaconda-Deer Lodge County Courthouse	Anaconda-Deer Lodge	Historic Site	\$400,000
29	National Affordable Housing Network	Phoenix Building	Butte-Silver Bow	Historic Site	\$500,000
31	Community Thrift LLC	Kalispell Community Thrift/Scandinavian Methodist Church	Flathead	Historic Site	\$240,000
32	Granite County Musuem & Cultural Center	Granite County Museum & Cultural Center	Granite	History Museum / Historic Site	\$500,000
32	Kalispell, City of	Kalispell Train Depot Building	Flathead	Historic Site	\$286,337
34	MSTB, LLC	Mountain States Telephone Building	Custer	Historic Site	\$500,000
35	Miles City Convent Keepers	Miles City Convent Keepers Community Center	Custer	Historic Site	\$434,226
36	Blarney Ranch, LLC	Fortin Ranch House	Lincoln	Historic Site	\$500,000
35	Headwaters RC&D Area, Inc. on behalf of S-Team LLC	Butte Steam Plant Event Center	Butte-Silver Bow	Historic Site	\$500,000
36	Livingston Benevolent and Protective Order of Elks	Livingston Elks Lodge Lodge 246	Park	Historic Site	\$500,000
39	Native American Development Corporation	Shrine Auditorium	Yellowstone	Historic Site	\$500,000
39	Seeley Lake Historical Society	Maclean Icehouse	Missoula	Historic Site	\$10,000
41	Friends of the Historic Adams Hotel	Adams Hotel	Golden Valley	Historic Site	\$200,000
42	Lewis & Clark County	Lewis & Clark County Courthouse	Lewis & Clark	Historic Site	\$500,000
42	World Museum of Mining	St. Patrick's Mission	Butte-Silver Bow	History Museum / Historic Site	\$173,040

Montana Historic Preservation Grant MHPG

Rank	Applicant	Project Name	County	Project Type	Requested Amount
44	Anaconda Restoration Association	The Montana Hotel	Anaconda-Deer Lodge	Historic Site	\$100,746
45	Pi House Corporation of Delta Gamma	Pi Chapter Delta Gamma House	Missoula	Historic Site	\$240,000
46	Montana Building Condominium Association (MBCA)	The Montana Building	Missoula	Historic Site	\$481,920
47	Urban Renwal Associates, LLC	Penwell Building	Missoula	History Museum	\$500,000
48	Anaconda Benevolent Protective Order of Elks Lodge 239	Anaconda Elks Club	Anaconda-Deer Lodge	Historic Site	\$429,000
49	Sidney Yellowstone Merc, LLC	Yellowstone Perc	Richland	Historic Site	\$500,000
50	West Valley Property, LLC	Superior Schoolhouse	Missoula	Historic Site	\$500,000
51	Libby Lofts, LLC	Historic Libby High School/Libby Lofts	Lincoln	Historic Site	\$500,000
52	333 Skyline LLC	Historic Montgomery Ward Building	Flathead	Historic Site	\$500,000
53	Billings Depot, Inc.	Billings Depot Caboose	Yellowstone	Historic Site	\$236,000
53	West Yellowstone, Town of	Union Pacific Dining Lodge	Gallatin	Historic Site	\$500,000
55	Prairie County Museum & Evelyn Cameron Gallery, Inc.	Prairie County Museum & Evelyn Cameron Gallery	Prairie	History Museum / Historic Site	\$72,478
56	Downtowner Group, LLC	Downtowner Building	Gallatin	Historic Site	\$273,000
57	Basin, Inc.	The Red Barn at Hagerman Ranch	Sweet Grass	Historic Site	\$228,800
58	Golden Triangle Development, LLC	Project 400	Pondera	Historic Site	\$378,167
59	Villa Theatre Foundation	Villa Theatre	Phillips	Historic Site	\$500,000
60	Brooks Adventures, LLC DBA RB Drive-In	RB Drive-In	Lewis & Clark	Historic Site	\$109,035
61	Homeward, Inc.	Lenox Flats, LLC	Missoula	Historic Site	\$188,330
61	Yellowstone Gateway Museum Foundation	Yellowstone Gateway Museum of Park County	Park	History Museum	\$499,620
63	Lonesome Praire Properties, LLC	Main Street Building	Wheatland	Historic Site	\$232,000
				Total	\$22,966,085
				Funding	
				Line	\$6,229,375

Cultural and Aesthetic Grant Program

Purpose - The Cultural and Aesthetic (C&A) Grant Program began in the 1979 biennium for protection of works of art in the state capitol and for other cultural and aesthetic projects as provided in 15-35-108, and Title 22, Chapter 2, part 3, MCA. Initially administered by the Montana Historical Society (MHS), the C&A program was transferred to the Montana Arts Council (MAC) in the 1985 biennium and continues to be funded by the interest from a statutory trust that receives coal severance tax revenues. Project applications are submitted to the MAC for review and ranking by the 16-member Cultural and Aesthetic Projects Advisory Committee, half of whom are appointed by the MAC and half by the MHS.

Coal severance tax revenue of 0.63 percent is statutorily allocated to the capitol art protection trust fund for funding of the recommended grants. The recommended grant awards total is \$953,500 for the 2027 biennium.

Executive Recommendation –

- **Volume 7 of the Governor's 2027 biennium Executive Budget** contains the C&A project applications and advisory committee assessment information.
- HB 9 contains the projects recommended by the advisory committee for funding in the amount of \$953,500. Table **F-11** below shows the requested amount and recommended grant amounts.
- Projects are organized into three categories: special projects, operational support, and capital expenditure grants.
- The revenue estimate for cultural trust interest earnings for the 2027 biennium is \$1,428,000.
- Montana Arts Council administration and services are recommended for \$446,351 and appropriated in HB 2.
- Montana Historical Society is appropriated in HB 9 the first \$30,000 for Capitol Complex works of art.
- Language in HB 9 provides a mechanism for spending the funds within the total revenue available.

Cultural and Aesthetic Grant Program

F-11 Cultural and Aesthetics				
GRT #	Organization	Biennial Requested	Biennial Recommended	Cumulative
Special Projects				
2601	Billings Preservation Society	\$20,000	\$12,500	\$12,500
2602	Chickadee Community Services	\$20,000	\$13,000	\$25,500
2603	Emerson Center for the Arts & Culture	\$20,000	\$12,500	\$38,000
2604	Great Falls Public Library	\$20,000	\$12,500	\$50,500
2605	International Choral Festival	\$20,000	\$13,000	\$63,500
2606	Mission Valley Live	\$15,908	\$0	\$63,500
2607	Montana Jewish Project	\$20,000	\$13,000	\$76,500
2608	The Extreme History Project	\$20,000	\$13,000	\$89,500
2609	Working Quiet	\$19,968	\$13,000	\$102,500
Operating Support				
2610	Alberta Bair Theater	\$20,000	\$12,500	\$115,000
2611	Alpine Artisans, Inc.	\$20,000	\$13,500	\$128,500
2612	Alpine Theatre Project	\$20,000	\$12,500	\$141,000
2613	Archie Bray Foundation	\$20,000	\$12,500	\$153,500
2614	Art Mobile of Montana	\$20,000	\$13,500	\$167,000
2615	Arts Missoula	\$20,000	\$12,500	\$179,500
2616	Bare Bait Dance	\$20,000	\$12,500	\$192,000
2617	Billings Symphony Society	\$20,000	\$12,500	\$204,500
2618	Bitterroot Performing Arts Council	\$20,000	\$12,500	\$217,000
2619	Bozeman Art Museum	\$20,000	\$12,500	\$229,500
2620	Bozeman Symphony Society	\$20,000	\$12,500	\$242,000
2621	Butte Citizens for Preservation and Revitalization	\$20,000	\$13,000	\$255,000
2622	C.M. Russell Museum	\$20,000	\$12,500	\$267,500
2623	Carbon County Arts Guild & Depot Gallery	\$20,000	\$13,500	\$281,000
2624	Carbon County Historical Society	\$20,000	\$13,500	\$294,500
2625	Clay Studio of Missoula	\$20,000	\$12,500	\$307,000
2626	Cohesion Dance Project	\$20,000	\$12,500	\$319,500
2627	Daly Mansion Preservation Trust	\$20,000	\$13,000	\$332,500
2628	Glacier Symphony and Chorale	\$20,000	\$12,500	\$345,000
2629	Grandstreet Broadwater Productions, Inc.	\$20,000	\$12,500	\$357,500
2630	Great Falls Symphony	\$50,000	\$12,500	\$370,000
2631	Hamilton Players, Inc	\$20,000	\$13,000	\$383,000
2632	Helena Symphony	\$20,000	\$12,500	\$395,500
2633	Hockaday Museum of Art	\$20,000	\$12,500	\$408,000
2634	Holter Museum of Art	\$20,000	\$12,500	\$420,500

Cultural and Aesthetic Grant Program

F-11 Cultural and Aesthetics				
GRT #	Organization	Biennial Requested	Biennial Recommended	Cumulative
2635	Humanities Montana	\$20,000	\$13,000	\$433,500
2636	Lewistown Art Center	\$20,000	\$13,500	\$447,000
2637	MAGDA (Montana Art Gallery Directors Assoc)	\$20,000	\$13,500	\$460,500
2638	Mai Wah Society Museum	\$20,046	\$13,000	\$473,500
2639	MAPS Media Institute	\$20,000	\$13,000	\$486,500
2640	MCT, Inc.	\$20,000	\$12,500	\$499,000
2641	Missoula Art Museum	\$20,000	\$12,500	\$511,500
2642	Missoula Symphony Association	\$20,000	\$12,500	\$524,000
2643	Missoula Writing Collaborative	\$20,000	\$12,500	\$536,500
2644	MonDak Heritage Center	\$20,000	\$13,500	\$550,000
2645	Montana Association of Symphony Orchestras	\$20,000	\$13,500	\$563,500
2646	Montana Ballet Company	\$20,000	\$12,500	\$576,000
2647	Montana Dance Arts Association	\$20,000	\$13,500	\$589,500
2648	Montana Performing Arts Consortium	\$20,000	\$13,500	\$603,000
2649	Montana Playwrights Network	\$20,000	\$13,000	\$616,000
2650	Montana Repertory Theatre, University of Montana	\$20,000	\$12,500	\$628,500
2651	Montana Shakespeare in the Parks	\$20,000	\$12,500	\$641,000
2652	Montana Youth Symphony	\$20,000	\$13,000	\$654,000
2653	North Valley Music School	\$20,000	\$12,500	\$666,500
2654	Opera Montana (Formerly Intermountain Opera)	\$20,000	\$12,500	\$679,000
2655	Paris Gibson Square Museum of Art	\$20,000	\$12,500	\$691,500
2656	Park County Museum of Art	\$20,000	\$13,500	\$705,000
2657	Pondera Arts Council	\$20,000	\$13,500	\$718,500
2658	Preserve Montana	\$20,000	\$12,500	\$731,000
2659	Queen City Ballet Company	\$20,000	\$12,500	\$743,500
2660	Schoolhouse History & Art Center	\$20,000	\$13,500	\$757,000
2661	St. Timothy's Summer Music Festival	\$5,000	\$5,000	\$762,000
2662	Stillwater Historical Society	\$20,000	\$13,500	\$775,500
2663	Stumptown Art Studio	\$20,000	\$12,500	\$788,000
2664	Sunburst Arts and Education	\$20,000	\$13,500	\$801,500
2665	The Myrna Loy	\$20,000	\$12,500	\$814,000
2666	The Paradise Center	\$20,000	\$13,500	\$827,500
2667	The Roxy Theater	\$20,000	\$12,500	\$840,000
2668	Tinworks Art	\$20,000	\$12,500	\$852,500
2669	Verge Theater	\$20,000	\$12,500	\$865,000
2670	Western Heritage Center	\$20,000	\$12,500	\$877,500
2671	Whitefish Review, Inc.	\$20,000	\$12,500	\$890,000
2672	Whitefish Theatre Co	\$20,000	\$12,500	\$902,500
2673	Zootown Arts Community Center	\$20,000	\$12,500	\$915,000
Capital Expenditures				
2674	Fort Peck Fine Arts Council, Inc.	\$20,000	\$13,000	\$928,000
2675	Red Lodge Area Community Foundation	\$15,000	\$13,000	\$941,000
2676	Yellowstone Art Museum	\$20,000	\$12,500	\$953,500

Long Range IT Program

Purpose - Montana's state law requires special handling of large technology projects in its budgeting process. According to state requirements, any technology project that exceeds \$500,000, or costs more than \$100,000 and represents 25% of an agency's technology budget, must be reviewed separately from other budget items to comply with 17-7-123(1), MCA.

The state manages technology funding through two different legislative bills. House Bill 2 covers the day-to-day technology operations and maintenance, representing the ongoing costs for regular state operations. In contrast, House Bill 10 handles new technology investments, treating these investments as infrastructure improvements as statutorily authorized in 2-17-560, MCA. This bill provides funding that continues until project completion, recognizing that complex technology projects often span multiple years.

This consolidated approach to managing major technology projects offers several important advantages. First, since these are designated as capital projects, funding remains available until the project is finished, which is crucial for complex, multi-year technology initiatives. Second, having projects managed centrally allows for improved project management and stronger collaboration between state agencies and the Chief Information Officer. Finally, by grouping major technology projects in one bill, legislators can better understand and evaluate the state's overall technology investment strategy.

This structured approach ensures that significant technology investments receive proper oversight while maintaining the flexibility needed to complete complex projects successfully. It also provides transparency in how the state manages and funds its technology infrastructure improvements.

Executive Recommendation –

- **Volume 10 of the Governor's 2027 biennium Executive Budget** contains the long-range projects with more information on each project.
- HB 10 contains the projects recommended by the executive budget for funding in the amount of \$52,715,501. Table F-12 below shows the requested amount for the IT projects.

F-12				
Long Range IT Projects				
DEPT	LRITP	SSR	FSR	Total
DOA	\$22,653,700			\$22,653,700
Corrections	\$1,611,000			\$1,611,000
OCHE	\$5,018,360			\$5,018,360
Historical Society		\$947,500		\$947,500
Judicial	\$1,500,000			\$1,500,000
DNRC	\$4,965,000			\$4,965,000
Public Defender	\$124,135			\$124,135
DPHHS	\$1,830,651		\$6,065,155	\$7,895,806
Revenue	\$500,000			\$500,000
Transportation		\$7,500,000		\$7,500,000
Total	\$ 38,202,846	\$ 8,447,500	\$ 6,065,155	\$ 52,715,501

Long Range IT Program

F-13				
HB2 IT Budget Requests				
Agency	IT Investment	Funding	FY26	FY27
21100	IT Maintenance Contract Increases	GENERAL FUND	578,176	889,379
<p>This proposal requests general fund authority of \$1,467,555 for the biennium for maintenance and support contract increases for the key software programs supporting the State’s appellate, district, and limited courts, including FullCourt, C-Trak, e-filing, and a jury management system. The Judicial Branch negotiated lower than normal increases for the past several years. However, rates will increase for the 2027 biennium. These software programs are essential components of the court system. All court cases at all levels are dependent on the case processing and e-filing systems; any disruption would prevent the courts meeting constitutional obligations.</p>				
35010	PowerSchool Subscription	GENERAL FUND	-	2,837,033
<p>This request is for \$2,837,033 in the second year of the biennium. Data Modernization requirements from HB 367, 2023 Session, required commercial off-the-shelf (COTS) products to be purchased with federal funding. OPI secured a contract to meet the requirements to repair, improve, or replace existing data systems. These additional funds are necessary to ensure the continuation of the sharing of data between school districts, state education officials, and other state agencies.</p>				
54010	Financial Software Maintenance and Hosti	STATE/OTHER SPECIAL REV. FUNDS	2,397,000	1,843,000
<p>This request is for an increase in state special revenue appropriation for FY 2026 and FY 2027 for ongoing hosting and maintenance costs for the department's financial cost accounting system. Implementation of the system is expected to be complete in the fall of 2025.</p>				
61010	SITSD - Contracted Services Increase	PROPRIETARY FUNDS	9,463,985	9,500,385
<p>The State Information Technology Services Division requests an increase of \$9,463,985 in FY 2026 and an increase of \$9,500,385 in FY 2027 for additional operating expenses due to significant increases in information technology contract costs. The division's software contracts have increased between 5-10%.</p>				
61080	Sustain Eff Pub Def Supp - AI/Tech License	GENERAL FUND	500,000	500,000
<p>The Office of the Public Defender (OPD) requests \$500,000 in FY 2026 and \$500,000 in FY 2027. The funding will cover the increase in licensing costs related to artificial intelligence (AI), data, and technology tools which the office has successfully developed and implemented.</p>				
66020	UID Software Maintenance Contract Oper	STATE/OTHER SPECIAL REV. FUNDS	607,000	607,000
<p>The Unemployment Insurance Division (UID) requests an increase of \$607,000 in state special revenue in each year of the biennium to support ongoing contracted software maintenance costs of the Montana Unemployment Services Environment system (MUSE).</p>				